The Five Laws of the Go-Giver:

A Conversation with Bob Burg

Interviewed by Ellen Rogin, CFP

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THE INTERVIEW

Editor's note: Horsesmouth contributor Ellen Rogin interviewed Bob Burg, author and referral expert, about his book *The Go-Giver*.

Ellen Rogin: Bob Burg is sought-after speaker at corporate conventions and for entrepreneurial events. He's addressed audiences ranging from the size of 50 to 16,000, sharing the platform with notables, including today's top thought leaders, broadcast personalities, Olympic athletes, political leaders, including a former president.

Although for many years he was best known for his book *Endless Referrals*, over the past few years, it's his business parable, *The Go-Giver*, which was co-authored with John David Mann, that has captured the imagination of his readers. It shot to number six on *The Wall Street Journal's* business bestsellers in just three weeks after its release and reached number nine on *Businessweek*. It's been translated into 21 languages, and it's his 4th book to sell over 250,000 copies.

Bob is an advocate and supporter and defender of the free-enterprise system, believing that the amount of money one makes is directly proportional to how many people they serve. I just love that. He is a founding and current board member of the Club 100, which is a charitable organization focused on helping underprivileged youth, and he's a lover of animals.

He's a past board member and board of directors for Safe Harbor, which is the Humane Society of Jupiter, Florida.

Now, the unofficial intro is that I've known Bob for more than 20 years. I originally met him when he was speaking at a

National Speakers Association meeting on referrals, and Bob's information has changed the way that I do business. Using his information on referrals, and then, more recently, the information in his more recent books have helped me have exponential growth in my business.

And the other thing I most want you to know about Bob—he's one of my favorite people on the planet. Welcome, Bob.

Bob Burg: Well, that is so very kind of you, Ellen. It's really an honor to be introduced that way by someone for whom I have so much respect.

ER: The title of your book, *The Go-Giver*, seems to contradict traditional wisdom. Is that intentional? And what's the basic premise of your book?

BB: It is intentional. I think the title of book, just like a good sales letter is the headline to attract the attention and attract that person who would most likely be interested in the material. And of course, it also has to align with the actual message. It has to be congruent with it.

It's also a pattern interrupt—when somebody sees *The Go-Giver*, they're thinking, "Hmm? What could that be about? A business story?" The intention to come up with an attractive title and one that would make someone think was definitely intentional.

The basic premise of the *The Go-Giver* is simply that shifting one's focus—and that's the key—shifting one's focus from *getting* to *giving*, and in this case, when we say "giving," we mean constantly and consistently providing value to others, is not only a nice way to live life, but it's a very financially profitable way as well.

ER: I was always taught growing up that being a go-getter was really the way to go. Are you saying that that's not really so? Shouldn't we also be go-getters?

BB: Oh, we love go-getters. In fact, one of my favorite books is by Peter Kyne, and the name of the book is *The Go-Getter*, and that was written about 60 or 70 years ago. It did hold a very valuable place in my shelf. We love go-getters because go-getters get things done. They take action.

And we all know that all the greatest thoughts in the world, the best intention in the world is all for naught if action is not put into the mix. So being a go-getter is terrific.

The good thing is there's actually no natural division between a go-getter and a go-giver. Many go-getters are also go-givers, and every go-giver is also a go-getter. The opposite of a go-giver is not a go-getter. The opposite of a go-giver is a "go-taker," that person who feels almost entitled to take, take, take without having added value to the person, to the process, to the situation.

I think we all know plenty of people like that, and they can even be good people, but they tend to be very frustrated by the fact that they typically don't ever reach the level of success they feel they deserve. And even those times where they might, it tends to be rather short-lived, yet they also tend to think everyone else is naïve.

When we say "go-giver," we're really just talking about that man or woman who has learned or perhaps intuitively always knew that it's that person who can shift their focus, who can move from an "I" focus or a "me" focus to an "other" focus. That's the person who accomplishes the most, not for some kind of way out there, la-la type of reason. But as we go through the laws in the story, we see that it's actually for very concrete, practical reasons.

ER: It also gives people much more of a sense of satisfaction from their work. Have you found that as well?

BB: It does, and that's why the whole idea is to have much more satisfaction and joy in what you're doing, and at the same time, be a lot more financially profitable.

ER: It’s like saying, in some ways, nice guys or gals finish first. It's a nice idea, but I suspect, especially in our industry, the financial industry, that there might be some people that consider this a naïve way of thinking. How do you respond to that?

BB: They have a point and at the same time—let's put it this way, and it's a great question, and one I’m I'm often asked—is this really just saying nice guys, nice gals, nice people finish, first? And the answer is actually no. That's not what we're saying.

Being nice is a good thing, and it's actually very helpful in terms of being successful. People who are genuinely nice attract people to them. It's easier to attract people to you when you're nice, when you're kind—it's easier to be successful that way, but that's certainly not enough just by itself.

We all know plenty of people in our lives, I'm sure, who we would describe as being simply nice people who we would also have to describe as, well, broke. So while nice is a good thing, and it is actually very helpful and very important, in and of itself, it's not enough for someone to be successful.

Success is a matter of doing the correct things in the success process in order to be successful and finish first. And the five laws that John and I provide in the book are meant to share those principles. If an adviser will follow them, utilize them, all five of them together in conjunction they must be successful. And we've so enjoyed the feedback from financial advisers who have told us that, many of them, this is what they already do. But the ones who haven't and sort of used this to adjust a little bit have found great success.

***ER**:* That's a pretty big promise. Can you share a little bit with us (a) why you're so confident in that, and maybe tell us about the five laws?

BB: The reason I can share that confidence is partially because of my excellent co-author, John David Mann, who is really the storyteller who made the characters come alive. I'm much more of a how-to person. John's a great, great storyteller. We didn't make anything up.

I remember when the book first came out and we were interviewed. The book really took off fast. We got all sorts of questions. I'd be asked, "So what is it that you and Mann put in this book that's anything particularly new?" And my answer was always, "Nothing."

It was, Jim Rohn, a hero of so many of ours, he always said, "Be aware of the person who comes along offering new fundamentals. It's like saying a new antique. It's just not there." These are principles that have been proven since time immemorial, and they work best to the degree that we work within a free-market economy, which we don't. We work within a mixed economy.

But to the degree that it's free market, these work because in a situation or in a context where people do not have to buy from you, they do not have to do business with you, there's got to be a way of communicating value to them in so that they see why working with you is of great benefit to them. It absolutely works, but there's nothing particularly original about it other than we put it into a story that is easy to follow, fun, and maybe presents these principles in a way that they're easily learned and duplicated.

ER: I love parables. It makes it so much easier for me to learn things. Actually, through some of the work that I do at a private bank in Chicago, we use this as one of our book club books. Everyone at the bank read it, and we all shared how we could use this in our everyday life. It's right on.

BB: I take that as a great compliment. When the book first came out, the early adopters were not the people who needed it. It was people who already were running successful teams, successful businesses, who were already running their lives that way. They just wanted to get the word out to their team.

ER: I imagine that people often mistake what a go-giver really is. How does this get confused for people, Bob?

BB: Well, they do get confused. This has to do with an understanding of the actual laws and sort of a misinterpretation of that. Shall we go through sort of a "*Reader's Digest*" version of all five laws and how they get misinterpreted?

BB: The first law is the "law of value."

The "law of value" simply says that your true worth is determined by how much more you give in value than you take in payment. Now this may sound counterproductive. Give more in value than you take in payment? How could that be possible?

So what we need to understand here is simply the difference between "price" and "value." "Price" is a dollar figure. It's a dollar amount. It's finite. It is what it is.

"Value," on the other hand, is the relative worth or desirability of a thing to the end user or beholder. In other words, what is it about this thing, this product, this service, this concept, this opportunity, this idea that brings with it so much worth or value that someone will willingly exchange their money for that and be ecstatic that they did while you make a very healthy profit?

Let's take a quick example from sort of outside the industry or outside the profession with someone with whom many do a lot of work, and that's an accountant.

Let's say someone hires an accountant to do their taxes, and this accountant charges $1,000.00. That's his fee, $1,000.00. But what's the value he provides in exchange? He saves the person $5,000.00 in taxes, saves them 25 hours of work, and provides them with the peace of mind and security of knowing it was done correctly.

So we see, first of all, that value is both concrete—as in the $5,000.00 savings—and conceptual—the peace of mind, which, as the old credit card commercial said, is priceless. So what this accountant did was give well over $5,000.00 in value in exchange for $1,000.00. He gave more in value than what he took in payment. The customer, the client, comes away feeling great, and the accountant made a very healthy profit, which he should.

As an advisor, that's the same kind of relationship you want with everyone with whom you do business. You give them such a unique and exceptional buying experience, combining this with the excellence, consistency, attention, empathy and appreciation. They come away from any transaction and/or relationship with you thinking, "Wow, this is terrific." They got a lot more than what they paid for, while, of course, you make a very healthy profit.

This happens due to "focus." It's making sure that rather than your focus being on selling a certain amount or qualifying for this or making a certain fee, your focus is on providing exceptional value to this person. That's why we say that *money is an echo of value*. It's the thunder to value's lightening, which simply means that the value comes first, and the money is a natural and direct result of the value you've provided.

ER: I love that—an echo of value. That's great.

BB: That's really law number one. Being a go-giver does not mean that you don't make a profit. It does not mean that you "give" yourself away. In fact, go-givers tend to be more on the high-end level, where they charge more, but what they're doing is providing such amazing, exceptional value in exchange that you've got a customer or a client who feels great about you, and that's what you want. You want to develop these personal, walking ambassadors because they enjoy the relationship, the value-based relationship.

ER: And they tell everybody they know.

BB: Exactly. And that leads, to law number two, the "law of compensation."

This one says your income is determined by how many people you serve and how well you serve them. Where law number one says to give more in value than you take in payment, law number two tells us that the more people whose lives we add this kind of exceptional value to, the more money we'll be rewarded.

As you give that person great value and they feel great about you, they're going to continue to do business with you. They're going to refer you to others. They're going to become your personal, walking ambassador, your center of influence that connect you on a wonderful, high level with others, and that's going to be your income.

In the story, Nicole Martin, one of the mentors, says to Joe, the protégé, "Law number one, the law of value, that represents your potential income, but it's really not enough to just provide great value to one person. Your income is really a function of 'impact' or 'reach.'"

Where law number one represents your potential income, law number two represents your actual income. We could say that exceptional value plus significant reach equals very high compensation.

ER: Great.

BB: Law number three is the "law of influence," and this is a key one. The "law of influence" simply says your influence is determined by how abundantly you place other people's interests first. Again, this one sounds counterproductive at best and perhaps downright Pollyannaish at worst—yet all top producers operate this way.

Let me qualify this. When we say place other people's interests first, of course, we don't mean you should be anybody's doormat or that you should be self-sacrificial or a martyr in any way.

As Sam, the financial adviser in the story told Joe, the "Golden Rule" of business, of sales, of networking, is simply that all things being equal, people will do business with and refer business to those people they know, like, and trust.

And there's no faster, more powerful, more significant way to elicit those feelings toward you and others, from others than by really putting that other person's interests first. It means that we temporarily suspend our self-interest. We don't forgo our self-interest. We're human beings. We're self-interested creatures. It's how we're able to advance in life. It's how we're able to grow.

But we suspend. We suspend our self-interest, and simply, we move from that "I" focus to "other" focus and say, "How do we make this 'other' person's life better, easier, richer, more fulfilling, what have you?" And this starts from the beginning when you meet that person, whether you meet them at a business-social function or a charity event. After finding out what that person does, rather than talking about yourself, ask them how they got their start in business, and what they enjoy most about what they do.

For example, if they're in sales, you might ask, "How can I know if somebody I'm talking to would be a good prospect for you?" Or if they're not directly in sales, the question might be, "How can I know if somebody I'm talking to would be a good connection for you or someone you'd like to meet?" In other words, what you're doing from the beginning is establishing that you are a person of value who is focused on making their life better.

ER: You know, I've seen, over the years. People who refer to people they know, like, and trust make it about them—and it's really like magic. People are so shocked because, unfortunately, most people don't act like this. If you actually take an interest in someone, they think you're awesome.

BB: I can't tell you how many times I've heard from people who were surprised at that. There are a lot of people to whom that approach does not come naturally, and that's okay. Everybody begins based on their belief systems—what they've been taught and what they've experienced.

But lots of people already do this. That's why they're successful. But there are a lot of people who don't, and those people who can see this and make that shift, and then realize great results, that's really what it's all about.

ER: Even if this is something you do naturally, maybe there are people in your office you're training. I've shared this information with newer advisers that maybe need a help when they're in a networking meeting. They understand this concept.

Okay, so we're on law number four.

BB: That's the "law of authenticity." The "law of authenticity" simply says the most valuable gift you have to offer is yourself. In the story, Debra Davenport learned a very important lesson, and that is all the skills in the world, the sales skills, technical skills, people skills, as important as they are—and they are, all of them; they're very, very important—they're all for naught if you don't come at it from your true, authentic core.

On the other hand, when you show up as yourself, day after day, week after week, month after month, when people see your consistency, when they know who you are, and they know that's what to expect, people really feel good about you. The "know," "like," and "trust" feelings really accelerate.

People crave consistency, and they crave knowing that they're dealing with the right person because there's a lot of phoniness, in a sense, in the world these days, and people appreciate knowing that they know who they're dealing with.

On the other hand, when someone is less than authentic, when they're—I guess the correct Latin term would be "phonus balonus"—then people don't feel good about them. People don't have that trust for them. They don't have respect for them, and they're less likely to do business with them. Certainly they're less likely to refer them to others. Often when people don't show up as themselves, it's not necessarily because they're trying to be phony. It's because they may not have the self-confidence and understanding of the true value they possess. Just like Debra in the story, you tend to learn, by accident, the value [you bring] to the marketplace.

I think everyone has two types of value. There's intrinsic value just by being born, but there's also what I call "market value." Market value refers to your unique strengths, your unique gifts that are marketable. That's the value you bring to the market that makes you unique. Often, people don't realize their market value because they're just too close to it. We're all subjective about ourselves, obviously. Whether someone has just natural talent or they've put on that 10,000 hours of deliberate practice, as Gladwell talked about in *Outliers* or Geoff Colvin talked about in *Talent Is Overrated*, once they have really locked into that and have become that, they may not realize how special it is.

I can't tell you how many times I've coached or mentored someone where they've said or done something spectacular, and I said, "Wow, that's awesome. That's brilliant." And their response was, "Oh, no, no, everybody does that," or, "Everybody knows that," and they weren't be falsely modest. They really had no clue that what they did was special.

So it's also very important, when it comes to authenticity, for us to not only be genuine but to understand the true value that we genuinely bring to the marketplace. Does that make sense?

ER: Absolutely. I call it their "super power."

BB: Right. That's why it's so important to be able to have someone, whether it's at work, or whether it's someone at home, or a coach. It's better to have someone who cares, but isn't as emotionally attached because it's more likely they're going to be able to actually see, from a distance, and really grasp what you do.

BB: Law number five is the "law of receptivity." The "law of receptivity" simply says that the key to effective giving is to stay open to receiving.

Late in the story, the mentor, Pindar, tells Joe, the protégé, to breathe out, and hold that breath to the count of thirty.

Joe tries, but in a very short period of time, he's gasping for breath. He's struggling to breathe. Pindar says, "What's the matter, Joe? Can't do it?" And Joe says, "No, I can't just breathe out. I've got to breathe in as well," and Pindar jokingly asks, "Well, Joe, what if I was to tell you it's been medically proven that it's actually healthier to breathe out than it is to breathe in?" And Joe just laughs. He says, "Well, that's silly. You can't do one or the other. You've got to do both."

Exactly. We breathe out. We breathe in. We breathe out carbon dioxide. We breathe in oxygen. We breathe out, which is giving. We breathe in, which is receiving. Giving and receiving are simply two sides of the very same coin. They work best in tandem.

In fact, to try and focus on just one side of the equation while trying to minimize the other is really an exercise in futility because, let's face it, all giving is made possible because it's also a receiving. And all receiving is made possible because it's also a giving. The key, once again, goes back to "focus."

All the giving in the world—and when we say "giving," we mean providing value to others—is fine. It's great. It's wonderful. It's terrific, but it's all for naught if you're not willing to allow yourself to receive in like measure because when you refuse to receive, you're shutting down the flow.

This typically is a result of someone having an unhealthy relationship with money. In a sense, it's surprising how often it happens. But it's also not that surprising because this relationship is on a deeply unconscious level, and it has a lot to do with the messages on money we get from the world, which is very much a lack of focus. We need to understand that if you will "focus" on the giving and "allow" the receiving, you're coming from a very strong place. Because you know that because your focus has been on giving value, you've earned the right, not the entitlement, but the *right* to receive.

ER: I think there are some people that have just been brought up with the message that it's better to give than receive. But we have to be able to both. When you're not receiving and allowing someone to give to you, you're hurting their ability to feel good from giving.

BB: Absolutely. I'll tell you one of the greatest books I ever read on this topic was Maxwell Maltz's *Psycho-Cybernetics* written in 1960, which really talked about—and it's a fancy title, *Psycho-Cybernetics*, but really written for the layperson, and I suggest anybody and everybody read this book. He really talks about how the mind works. The mind is going to allow us only to receive what our beliefs tell us we should be receiving.

And again, an unhealthy relationship with money is unconscious. Think about everything from a combination of upbringing, environment, schooling, media, news media, television shows, movie scripts—so many of the messages we get are messages of lack. How many times are people, when they're younger, asked, "When you grow up, do you wanna be wealthy or happy?" As though it's one or the other.

ER: Yeah, like they're mutually exclusive.

BB: Exactly. We call that the "treacherous dichotomy" or the "false dilemma," and of course, a "false dilemma" can be defined by the unnecessary use of the word "or"—wealthy "or" happy, nice person "or" finish first, giver "or" receiver. No. It's both, and there's no reason for it not to be.

Again, think about all the impressions of wealth that we get from different sources that make it look as though money is evil, or that rich people are bad. Just watch any movie, and there's always two types of people. There are the good people who are portrayed as being poor but happy, right? They're poor but happy, and they're always being taken advantage of, stepped on, pushed around, put down by who? The rich people who are mean and cowardly and soulless. We see this all the time, and so we've got to really be aware of this.

ER: For advisers, we see this with our clients, but it's a really important conversation for us to reflect on how this affects us. Because dealing with money all the time is our industry.

So Bob, we are running out of time, but we have time for one more question for you. If you have a final thought on the one thing that people should remember in order to be successful, what would that be?

BB: Well, I'm not sure success is ever any one thing. It's doing the right things constantly on an ongoing, everyday basis. I think if I was to align one simple message with the lessons from *The Go-Giver*, it would be to make sure you understand that when it comes right down to it, it's never about you. It's always about the other person, and that the really spectacularly successful advisers have almost an obsession with pleasing and providing value to the other person. They understand that sales is not about them, and it's certainly not about the financial products and financial instruments. It's always about the other person and how their lives are going to be affected.

ER: Beautiful. If the listeners want to find out more about you or your programs, where can they go to learn more?

BB: I would invite them to just visit my website http://www.burg.com. While there, they can download a chapter of *The Go-Giver* and *Endless Referrals*.

They can check out the blog with about 400 archived articles, videos, and business-building interviews. And for those who hold events, my five-minute preview is on there, and they can connect with me on social media through that homepage at http://www.burg.com.

ER: Awesome. There are such great resources there for everyone.

BB: Thank you.

ER: Bob, thank you so much, and again, the question to ponder is, "How big of a positive impact are you willing to make?" I wish you success in every area of your life, and remember, be great and create great every single day.